

WARRICK COUNTY BOARD OF COMMISSIONERS MEETING
REGULAR SESSION
COMMISSIONERS MEETING ROOM
107 W. Locust Street, Suite 303
Boonville, Indiana
December 9, 2013
4:00 P.M.

The Warrick County Commissioners met in regular session with Don Williams, President, Marlin Weisheit, Vice President and Rick Reid, Member

President Don Williams called the meeting to order.

Auditor Secretary, Angie Leslie, recorded the minutes. Auditor, Dixie Dugan, was in attendance.

PLEDGE OF ALLEGIANCE

AREA PLAN COMMISSION

STREET CONSTRUCTION PLANS

PP-13-09 – Victoria Woods Subdivision by Roslin Partners LLC, Mike McCann, Mng. Mbr & Victoria Operations, LLC, Mike McCann, Mng. Mbr. 552 acres located on the S side of SR 261 approximately 1200' W of the intersection formed by SR 261 & Quail Crossing Dr. and also lying on the W side of the intersection formed by Baker Rd. (W 425) & Jenner Rd. (S 150), Boon Twp. (Complete legal on file.) Advertised in the Standard November 28, 2013. Requesting no improvements be required to Jenner Road or Baker Road.

Don Williams: Somebody please close the back window. (Laughter) Alright, we have some Area Planning Business, Sherri, why don't you go ahead and lead off with that.

Sherri Rector: Thank you, the first is Street Construction Plans, its Primary Plat 13-09 Victoria Woods Subdivision by Roslin Partners LLC, Mike McCann, Manager Member and Victoria Operations, LLC, Mike McCann, Managing Member. It is five hundred fifty two (552) acres located on the south side of State Road 261 approximately twelve hundred (1,200) feet west of the intersection of 261 and Quail Crossing Drive and also lying on the west side of the intersection formed by Baker Road and Jenner Road in Boon Township they are requesting no improvements be required to Jenner Road or Baker Road at this time. I'm sure that you've seen this in the drainage board meeting, the layout and I'm assuming Mr. Aigner explained to you that they're just right now dividing it to get it into separate entities to subdivide later on which will be all new plats and drainage and road plans at that time.

Don Williams: Okay, Mr. Aigner, do you have anything you want to add, Sir?

Jordan Aigner: Nope, I'll answer any questions you might have about it.

Don Williams: Okay, Mr. Engineer, do you have any comments?

Bobby Howard: Just basically with what they're doing at this time we'll have a chance to further address if any of these two (2) lots develop in the future depending on how they develop we'll be able to address the road conditions at that time. So at this time I would recommend no improvements.

Don Williams: Okay, any questions from the Board?

Marlin Weisheit: I have none.

Rick Reid: None.

Don Williams: Entertain a motion.

Rick Reid: Motion to approve.

Marlin Weisheit: Second.

Don Williams: I have a motion and a second. All in favor say aye.

Marlin Weisheit: Aye.

Rick Reid: Aye.

Don Williams: Motion carries.

Jordan Aigner: Thank you.

REQUEST FOR EXTENSION OF SURETY

Waterstone Village Sec. 2 by Maken Corporation, Danny Ubelhor, Pres. ~ Sidewalk Construction ~ Has had ten years. Requesting a one year extension with a reduction from \$19,224.00 to \$15,672.00. The ordinance allows for a maximum time period of 9 years; therefore they are also requesting a modification from the Subdivision Control Ordinance LOC expires 1/27/2014.

Sherri Rector: The next items are Request for Extension of Surety. The first one is Waterstone Village Section 2 by Maken Corporation, Danny Ubelhor, President. This is Sidewalk Construction, they have had ten (10) years, they're requesting a one (1) year extension with a reduction from nineteen thousand two hundred twenty four dollars (\$19,224.00) to fifteen thousand six hundred and seventy two dollars (\$15,672.00). The ordinance allows the maximum time period of nine (9) years; therefore they're also requesting a modification from the Subdivision Control Ordinance. The Letter of Credit expires January 27, 2014 and the County Engineer has reviewed the dollar amounts.

Don Williams: Okay, you're not Mr. Ubelhor. State your name and who you represent please.

Jim Morley, Jr.: He's a lot nicer than I am. Jim Morley, Jr., Morley and Associates, Project Engineer, it's just an extension on the sidewalks, unfortunately the home building in that subdivision was not proceeded as quickly as Maken Corporation had anticipated or had hoped for and the desire to have the homes built before the sidewalks are in so that the sidewalks aren't tore up every time they build a house.

Don Williams: Okay, any comments, Mr. Engineer, specifically the dollar amount?

Bobby Howard: The dollar amount is sufficient.

Don Williams: Okay, any questions from the Board?

Marlin Weisheit: I have none. I'll make a motion to approve.

Rick Reid: And I'll second it.

Don Williams: Motion and a second. All in favor say aye.

Marlin Weisheit: Aye.

Rick Reid: Aye.

Don Williams: Motion carries. Thank you.

Huntington Ridge by Maken Corporation, Danny Ubelhor, Pres. ~ Sidewalk Construction ~ Has had seven years. Requesting a one year extension with a reduction from \$9,720.00 to \$4,824.00. LOC expires 1/17/2014

Sherri Rector: The next subdivision is Huntington Ridge by Maken Corporation, Danny Ubelhor, President, Sidewalk Construction, they have had seven (7) years so they are just requesting a one (1) year extension with a reduction from nine thousand seven hundred twenty dollars (\$9,720.00) to four thousand eight hundred twenty four (\$4,824.00). Letter of Credit expires on January 17, 2014, and Mr. Howard has reviewed this dollar amount.

Don Williams: Mr. Howard, comments?

Bobby Howard: Again, the dollar amount is sufficient.

Rick Reid: Is that reduction because you're already got sidewalks in those other ones?

Jim Morley, Jr.: Yeah, every time...each year when it's...whatever houses get built that year and then we go ahead and take those off the list and so these are the lots that are left to build on.

Don Williams: Okay, do I have a motion?

Rick Reid: I'll make a motion to approve.

Marlin Weisheit: Second.

Don Williams: Motion and a second. All in favor say aye.

Rick Reid: Aye.

Marlin Weisheit: Aye.

Don Williams: Aye. Motion carries three (3), zero (0). Thank you.

Jim Morley, Jr.: Thank you very much.

Sherri Rector: Thank you, that's all I have.

ITEMS FOR DISCUSSION

Mike McCormick, CIC ~ Report on Independent Review of 2014 Commercial Insurance Quotes & Non-Binding Recommendation

Don Williams: Okay, Roger, do you want to go ahead with Items for Discussion?

Roger Emmons: Thank you, Mr. President, Mike McCormick, CIC, I think that stands for Certified Insurance Counselor, is that right, Mike?

Mike McCormick: The last we heard.

Roger Emmons: Is here to report on his independent review of the 2014 Commercial Insurance Quotes and to make a non-binding recommendation to the Board. I put a copy of a spread sheet that Mike had made notes on in the far right column in front of your chairs prior to the meeting.

Don Williams: If you would, Mr. McCormick, for the record, state your full name and who you represent, of course you're representing us, we understand that but...

Mike McCormick: My name is Michael, middle initial D, McCormick, I have the insurance degree of Certified Insurance Counselor, that's the CIC after my name, and I represent McCormick Consulting who is me and I'm here on behalf of a

request made by the County of Warrick to review insurance proposals that came in from various agents for a 1/1/2014-12/31/2014 insurance renewal date on the property and casualty insurance coverage of the county of Warrick.

Don Williams: Alright, I thank you for being here; you come very highly recommended by both the Association of Indiana Counties and also the Indiana Association of County Commissioners.

Mike McCormick: And you know I found out something else already in discussion today that I've had individuals from both firms as students in class for me when I've been teaching 'Insuring Public Entities', I teach all across the nation so that was kind of interesting. I put them on the spot of saying...I won't ask Randy cause he doesn't like me, okay, but...actually Randy and I have been on two (2) different advisory boards for insurance companies over the years. And I've had a chance to meet his associate, Bob, and then Keith as well has been a student in my class so...

Don Williams: He's on the other side.

Mike McCormick: Yeah, there we go, so they've heard me speak and have yet to say how awful I am so with that being said, what you have...you have four (4) proposals that have been presented to the county for the coming insuring year and what you have is a fruit stand, okay, we have bananas, we have apples and we have oranges and then we got some plums. And the problem here is figuring out what's what. And there is no real simple way to do it. I'm going to tell you, this is one of the most complicated lines of coverage that exists for any insurance agent to be involved in, okay? So, with that being said, if we walk through and look at the proposals, you have excellent, A rated carriers in the most part that are making proposals for coverage with the exception of a work comp carrier that is the largest work comp carrier of municipalities in the State of Indiana but it is a pool of coverage; it is not an insurance company. And is actually owned by its members, okay? And I believe you've been in there, it's IPEP.

Don Williams: So it's not best rated?

Mike McCormick: No, it does not carry an A best rating because of the fact that it is a pool and there are very, very, very few pools in the nation. Most public entities...there are more public entities in the United States insured in pools than there are by private insurance carries. It kind of shows you how bad the insurance product got for public entities. You take the State of Minnesota; ninety five percent (95%) of all of the municipalities in the State of Minnesota are insured in pools. They're...now, I'm going to show you a little bit of my demeanor here when I explain this but Minnesota is the closest state in the union to being communistic that exists. They pass laws that are so broad, that are so easy to sue public entities that companies don't want to insure...they don't want to write business up there. Kind of like Florida and property insurance; have you heard of any of your friends who have gone to Florida and bought something and then tried to buy property insurance on it? That's the way Minnesota is on public entities. So, there is one very large pool up there that writes most of the public entity business. They're not the only state that has that happen but a number of them...public entity business has not been the greatest thing in the world and you can kind of look at your own history for Warrick County and see the cycles that you've gone through where you've had very profitable years and you've made money, this last year's been a very good year for Warrick County, but two (2) years ago was an awful year. Your claims far exceeded the amount of premium that you had paid that year so...at any rate; now where you've been is you have option...if you look at the spread sheet that's in front of you and this was provided by Mr. Fitzsimmons and Mr. McNeely because they provided three (3) quotes and then the fourth column that's in there, if you remember I got a phone call and began the process of working on this; Adam doesn't know this but I started working on this last Monday trying to merge this in with the rest of the business that I handle and do which the bulk of my accounts come due January 1st so I'm on a pretty busy schedule right now. So, in the process of doing that I've taken Keith's quote from First Advantage and put it out on the right hand column to try to do the best comparison that I could for you to try to understand coverage's and what you have. I'm not going to address your specs because quite frankly the information that was gathered from the spec...it's not the way we would do it, okay, the way McCormick Consulting would do it. We do a full blown analysis risk analysis where we come in and we review all your departments, talk to all of your department heads, and then try to roll that into a development of a specification that companies that can quote against and give them options from that that enable them to understand the risk in its best light, and get the very best possibly quotation on the table for them. And when I get done at the end of the evening if I don't remember, Don, if you'll remind me, I'm going to tell you that you need to retain us in the future to actually do that. I think it's the fairest way for these agents here and any agent that wants to propose coverage for you, that they have an even footing on looking at the risk. Okay, so going through that, option one (1) is the current program that the county has. Cincinnati Insurance Company, which is A rated, is the property carrier. Scottsdale Insurance Company which is not...it's not...it's an A rated product I believe, now Randy you correct me is it currently A rating? Scottsdale Insurance is an unusual horse in and of itself. The color of Scottsdale Insurance is that it's owned by Nationwide Insurance Company which is one of the largest insurers, domestic insurers in the United States. They're out of Columbus, Ohio. But they peel off and do specialty lines in Scottsdale and they don't include it in their...they separately charter it and they don't include it in the master coverage of Nationwide and the reason they don't do it is because it writes very, very difficult lines and their fear has always been that that's an area that could explode on them sometime in the future and if it failed they didn't want it to effect Nationwide. So it's a separate charter. It's owned by Nationwide, it'll say at the bottom of the paper 'A Nationwide Company' but it's not included under the umbrella, so it has its own assets against...so it's not...in the State of Indiana whereas Nationwide is. Now, what's that mean to you? Well, it means something about the guarantee fund...Andy or Adam, and quite frankly I'm not sure, I've had one (1) public entity in all of the years that I've been doing this since 1980, well, since 1979 that I had to get involved with the guarantee fund on a failure where liability, where we had to go to the guarantee fund...the guarantee fund only offered us thirty thousand dollars (\$30,000.00) worth of coverage on this liability claim, so it's...and the maximum that it's required to go is three hundred thousand (\$300,000.00) so it's not the coverage that the county has been buying, okay so we don't ever want to think about in terms of going to a company, I'm not saying Scottsdale does that, I'm just saying we don't want to ever think about getting a company to quote this and there's companies out there that would give you a very low ball quote that I promise you that you commissioners have a stronger balance sheet then those companies do. Okay, so I've given you your first one. The second quote that you have again it's from the current agent, is Cincinnati on the property and on inland marine and Travelers Insurance Company. Now, Traveler's Insurance Company is the largest rider of public entities in the nation. They do it right. They have...they can do it right, let's put it that way. Now I would tell you, and Bob and I have discussed this, the original proposal that they put out is a limited form proposal, they have the ability to do a broader form that wasn't the proposal that they made, and I think the next time they come back they'd be more than willing to put that proposal and make it available for the county. And then the third quote that you have over here is from Houston Casualty Company (HCC.) And Bob asked me my opinion on Houston Casualty Company, asset wise they're a very strong company but they're a Johnny overnight, in my opinion, they've been...we've had them and I'm going to guess they've been in Indiana writing public entities less than ten (10) years, probably nine (9) or eight (8) years.

Don Williams: Do they have a rating?

Mike McCormick: They're in best rated A, but their specialty markets, Don, that they wrote in...that they've made their money in was not historically public entities. They found that to be...quite frankly companies will find public entities when they jump into it kind of overnight, they do it because of the size of premium. They take a look at how large the account is and say 'you know what, that's something I'd like to write', well, now we get into re-insurance, we get into all sorts of issues that we want to make sure that they're legitimate. There is a fourth company...then your fourth quote you have here is the one from First Advantage, from Keith and it's a combination of Chubb Insurance Company, which is one of the largest insurance companies in the nation, now they're not, they're big on property, they love property, that's why they gave this quote, they're a partner with Bliss McKnight on doing...they do property and Bliss McKnight, which is an attorney-in-fact, a managing general agent, writes it through governmental insurance exchange which is a non-accessible reciprocal with a best rating of 'A' and then bituminous on the work comp. So you see those all listed across there. Chubb will not write your liability, they don't want public entities on liability; it's not something they're going to touch. They'll do a big contractor, they'll do Rieth Riley, they'll not even think about doing the County of Warrick, okay, it's not their cup of tea; it's not where they have experience, okay? You see if you chase the limits of coverage that Cincinnati has thirty seven million (\$37,000,000.00) plus on property that the same is true for Houston Casualty Company and that First Advantage quoted forty two million six hundred seventy three thousand (\$42,673,000.00) on property. Business personal property, you see a separate limit of three million (\$3,000,000.00) and it's included in the forty two million (\$42,000,000.00) so it's blanketed for buildings and contents under the First Advantage quote. The business interruption, you have one million dollars (\$1,000,000.00) worth of coverage that is in the quotes that came out of Bob and Randy and you see that there is an endorsement page inside of Keith's proposal that puts in a few limited dollar coverage's but it does not...there is no business interruption per say as a line of coverage in that quotation. Is that correct, Keith?

Keith Shelton: Are you talking about... (Cannot hear; Keith is away from the mic.)

Mike McCormick: They have a blanket of five hundred thousand (\$500,000.00) on...I jumped back and forth so many times between these...they have five hundred thousand dollar (\$500,000.00) blanket limit of coverage for accounts receivable but it's named coverage's, it's not a blanket, business interruption. And then on top of that the other tidbits that they do...and this is pretty normal, it's normal with Cincinnati, I would bet it's normal with Houston Casualty (HTC), is that we will have a broad property coverage where it throws in a bunch of...twenty five thousand dollars (\$25,000.00) worth of accounts receivable, just what I call tidbits, they're in there. It's nothing that's screaming out that you want so what I'm saying is you've got a...in your quote from your existing agent you've got a million dollars (\$1,000,000.00) worth of business interruption and then you have a half million (\$500,000.00) of split out coverage's, not the same thing, underneath the Chubb policy. Now they can do business interruption and I think it's a full blown app that you have to do, Keith, to be able to get them to quote that cause they want to know all of your exposures for business interruption before they're going to jump through it. Quick break down; we had a million dollars (\$1,000,000.00) worth of coverage in all three (3) of the ones out of McNeely and then we have...it's also included in the Bliss McKnight...into the Chubb coverage. You had temperature change, you've been buying temperature change for the county health department on vaccines of twenty six thousand dollars (\$26,000.00) and that's not uncommon because all we have to do is have a spoiled batch and catch a...that's a property loss that we can catch without any coverage, it's not...you know, change of temperature on medicines is not something that's covered as apparel even under the all risk for our property coverage. Well, you specifically had it there; it's not in the Chubb policy. Deductible, you had a five thousand dollar (\$5,000.00) deductible under the current, under Cincinnati, you have a ten thousand dollar (\$10,000.00) offer for a property deductible underneath HCC and you have a five thousand dollar (\$5,000.00) deductible on all perils except for what I referred to as the Florida perils; wind, hail and hurricane. So you have split deductibles; you have five thousand (\$5,000.00) on anything, a theft loss for an example, a collision loss where something comes colliding into one of our buildings, we have a five thousand dollar (\$5,000.00) but if it's wind, hail or hurricane it's twenty five thousand (\$25,000.00). I think you're probably starting to understand how I gave you the fruit stand analogy.

Rick Reid: That's why we hired you.

Mike McCormick: Thank you. Alright, contractors equipment, the Inland Marine coverage, the existing carrier, Cincinnati and Houston Casualty, Cincinnati's amount is two million five and some change (\$2,500,000.00), Houston Casualty does four million five (\$4,500,000.00) but they do it on a replacement cost basis. I would tell you if we went through and we got replacement cost values on all of your Inland Marine, we if just did the Highway Department, we're going to find out that the four million dollars (\$4,000,000.00) is a lot closer to being correct on replacement cost than the two million (\$2,000,000.00) that is currently on the policy. And then Keith's got one million eight eighty two five twenty nine (\$1,882,529.00) and Keith that came from?

Keith Shelton: McNeely Agency provided the... (He is away from the mic)

Mike McCormick: You total that list and you say that's what it came up to. Alright, rented coverage to others...I'm sorry?

Keith Shelton: I assume there have been some changes.

Mike McCormick: Well, yeah, but that would be something I'd want to match up because obviously we have a differential there on the contractors equipment. Rented to others, what coverage that is is...if, you know, the famous example is the Highway Department's out working on a particular county road and a local farmer brings over his equipment which is easier to get in and work on and help out and volunteers to use that equipment to help the county do this ditching job, do this tree trimming job, whatever in fact we were doing in there, okay, and somehow his tractor and his equipment catches on fire and burns up, okay, he could turn it into his insurance carrier and find out in fact because he used it for the county and it was not being used as agricultural and private on his behalf but really in a commercial exposure he has no coverage so he turns to you. That's where this coverage would jump in and pick up and cover. And so you have four hundred thousand (\$400,000.00) for...or it's also if in fact your departments go out and go and rent a piece of equipment, a bulldozer, a backhoe, it's coverage for that and usually they require you to...they require that department to notify them so that they're covered. The Bliss McKnight policy limits it to one hundred thousand dollars (\$100,000.00). It can be bumped up, that's just what's built into their policy.

Roger Emmons: Would some rental agreements have this in the agreement?

Mike McCormick: Everyone one of them has in there that you're responsible for it, Roger. Every single one of them says that when you sign it...and I guarantee you, it doesn't make any difference if these two (2) gentlemen over here or if this gentleman over here when he had a contractor that goes and rents one they never think to pick up the phone and call Keith and say 'hey, I just went and rented a hundred and eighty thousand dollar (\$180,000.00) backhoe that has a laser attachment that...' no, no they don't do that, they just assume that Keith's got it covered. Well, this way we don't...we have built in coverage for the county, okay, it's a matter of is one hundred thousand (\$100,000.00) enough? You've been having four hundred thousand (\$400,000.00). So again, this is the difference, you have a thousand dollar (\$1,000.00) deductible with all the programs proposed, from Mr. Fitzsimmons and Mr. McNeely and you have a five thousand dollar (\$5,000.00) deductible out of Mr. Shelton's program so you have a higher deductible. Now, limits and liability, here I'm going to get you into...this is the part that is I think easily most confusing yet we have to concentrate on the most, okay? We're going to talk about two (2) forms of coverage, two (2) insuring agreements. And Adam knows all about this because of his professional liability as an attorney. We're going to talk about an Occurrence Form of Liability whether it's General Liability or Police Professional Liability or Public Official's Liability and then we're going to talk about a Claims Made form of coverage. Claims Made was developed by the Lloyd's of London in the very first liability contracts ever done. And it's real, real simple, what it says is that we pay all claims that are made while our policy is in existence. So we have a policy right now that existed from January 1, 2013, to December 31, 2013, so we have a claim that happens, a slip and fall that happened with Mike McCormick as he walked up to the Courthouse today to come into this meeting. But Mike decided that he's too embarrassed to tell you about it so he doesn't report it until January 2nd, okay? The claim was made, it happened, it happened today in December, yet it's not reported until January. Well now if we switch that policy, go somewhere else, go to a different company, Claims Make says 'you take your claims with you, they're your claims', we were only paying them up...as long as you reported them to us, while our policy was still in effect, we'll entertain it, otherwise they're yours. Now, you go to your new insurance company and you say 'new insurance company, here's this claim that I had happen off of the old policy' and they go 'we didn't start coverage until January the 1st, 2014, it's not our claim, it happened in December of 2013', okay? There is the big bug-a-boo, there's the big issue with ever switching Claims Made. Now, the first thing you would say to me is, Rick, you're going to jump me and say 'Mike, why don't we only buy occurrence?' because that's not the only thing available to us. I guarantee you there's a point in time when these gentlemen wrote the county that the companies that they were talking to would not entertain any other type of coverage than Claims Made, I guarantee it. I guarantee that that was the only avenue they had, okay? I got caught...and I think probably both of them have heard this story, I got caught in 1984 where I had two (2) different clients, one (1) of them being the City of Columbus, Indiana that had gone to renew and they had part of their coverage being Claims Made and the company they were with, a company called Pinco which was one of the largest writer of public entities across the nation, Corinne and Black owned them, they didn't have a market to renew their Claims Made coverage's as of January 1st, 1984. So, their clients sat there naked, they had no offer of renewal to them, they could jump out the marketplace and try to buy something, but anything they're buying, nobody's going to jump in and say 'oh, yeah, I'd like to take your old claims, I'd love to have those'. So, they were just absolutely naked. Well, that's the biggest fear, that's the biggest...and it happened in what we call a 'hard market' where companies weren't doing financially well so they had withdrawn substantially and if you remember 1984 was one of those years that was a pretty good dip in the investment market and the overall business of insurance. Okay, so, currently you have an occurrence form on your general liability, okay, let's say you have an occurrence form, you have a one million (\$1,000,000.00) limit with a two million (\$2,000,000.00) aggregate and I'll explain those things but it's a million (\$1,000,000.00) per claim, two million (\$2,000,000.00)...the aggregate means 'in any policy year, that's the most they'll pay' so they would entertain up to two (2) one million dollar (\$1,000,000.00) claims, five (5) two hundred thousand dollar (\$200,000.00) claim, well, that's not right, double that, five (5) four hundred thousand dollar (\$4,000,000.00) in the aggregate in any policy year, that's what aggregate means, um, but that's the current current coverage is one million (\$1,000,000.00) two million (\$2,000,000.00) so you see that all three (3) companies have quoted that, you see a deductible that's in on bodily injury and property damage claims and law enforcement, there's a ten thousand dollar (\$10,000.00)...no, it's an all lines aggregate isn't on that...the ten thousand dollar (\$10,000.00) deductible that's Houston Casualties, isn't that a all...deductible on the liability?

Bob Fitzsimmons: I'm not sure about that just off the top of my head.

Mike McCormick: I think, Bob, that's the way they do it, it's an all lines deductible. At any rate...and then you have a coverage of three million (\$3,000,000.00) per occurrence, six million (\$6,000,000.00) in aggregate from the Bliss McKnight, okay? Um, nurse's professional, Scottsdale, is doing the nurses and name only, now Bob, you got me an answer on the health...and did Scottsdale say...?

Bob Fitzsimmons: (Cannot hear; he is away from the mic)

Mike McCormick: No, that was...we didn't discuss it with Scottsdale, okay; Scottsdale is not going to cover...yes Sir?

Roger Emmons: Did you say anything about the deductible on the First Advantage?

Mike McCormick: First Advantage is nothing on a general liability claim.

Roger Emmons: Okay.

Mike McCormick: Yeah, on a general liability claim, they'll be no deductible. We're going to get to...they'll have deductibles on police professional, public officials and employment practices, okay?

Roger Emmons: And then there's enough medical payments...that's under another...?

Mike McCormick: Med-Pay, you're not going to...Bliss McKnight will not write Med-Pay, won't do it, flat says 'we don't want it' now why? Because there's too many attorneys and if I were in Montgomery County I could name the attorneys...or...come on Michael what's the...Stewart out of Bloomington? It's on TV all the time.

Adam Long: I don't know anybody up there.

Mike McCormick: Isn't that terrible, anyway, Stanley Kahn was the famous one out of Indianapolis, Adam, but we've always had attorneys that chase ambulances, that they look for the slip and falls and they file the claims on behalf...they get a registry that is sent to them of anybody that's got a slip and fall type claim, automobile accident type claim, and they send them a nice little portfolio saying we'll be tickled to represent you against that insurance...that mean, old insurance company to collect. Well, premises medical payments from a public entity company quite frankly I've been of the opinion, I don't like it, I don't want it, because it's a way for an adjuster to try to throw money at

somebody just to close the file and be done with it. I'd rather them bring the claim as a liability. If we're liable we need to pay but we don't...everybody that says that they slip and fall on the courthouse steps today we don't want to automatically stand out there with a checkbook and a pad of checks and start writing thousand dollar (\$1,000.00) checks.

Roger Emmons: And then the Consent to Settle under First Advantage that's...

Mike McCormick: It does not exist.

Roger Emmons: Okay.

Mike McCormick: Yeah, they will not...Consent to Settle means you are involved...if you want to be involved in a claim or you want to be involved to say how far are we going to go with this, and we want Adam to represent us with the claim department of X, Y, Z Insurance Company cause...you know, cause we don't really think we owe this claim so Consent to Settle means that we have the right to be involved in claims if we want to be.

Roger Emmons: And we have that now.

Mike McCormick: Okay, Bliss McKnight will not allow that. They don't want you involved in their claims...

Roger Emmons: And then Bliss McKnight...?

Mike McCormick: They feel strong enough that their claim department knows what they're doing.

Roger Emmons: They're not providing the professional coverage for the EMT's?

Mike McCormick: Yes they are, they will do...they are doing a full blown medical malpractice.

Roger Emmons: Okay, thank you.

Mike McCormick: Yep, the problem with Scottsdale's policy and I'm doing this from memory because I didn't get a copy of it and I don't really...I didn't have time to read it if I had gotten a copy to be honest with you, Scottsdale can do it, they can do a full blown medical but pretty extensive so that's why you jump out and do the nurses, you do those people that you know who are doing the dispensing, the drugs, doing the visits, the...handling that so that you have medical or you require those professionals and there's counties I deal with that if there's a local doctor who is a county health officer and so, you know, we tell him you need to notify your medical malpractice carrier that you're doing this and provide us with a certificate of insurance saying you have coverage to protect us. Now, they don't like to do that, I'll tell you that up front, they don't like to take on public entities.

Roger Emmons: In the occurrence...is the occurrence mean the date it's finally claimed or reported?

Mike McCormick: No, occurrence means as long as it occurred while our policy is in effect, we're paying.

Roger Emmons: Okay, I gotcha.

Mike McCormick: So, in the same scenario of claim that I gave you about me slipping and falling here, let's say we're with...that Scottsdale is occurrence on its general liability, if I do this slip and fall on an occurrence form and I don't report it and then you switch from Scottsdale as of January 1st, to somebody else, it doesn't make any difference when it's reported, they go back to when it occurred. So they go to the policy that it occurred on and it pays...

Roger Emmons: If you have...

Mike McCormick: Occurrence is the broadest form of liability we can get; we always want occurrence form if we can get it. Problem is there's going to be times that we can't get it. So then we go through and we try to get as many coverages, Roger, as we possibly can to be on an occurrence form, okay? Alright, liquor liability, they all have...you're going to say 'we don't need it' let me tell you when you need it. Do you ever have an AIC gathering here? A local...do you guys ever sponsor or have the Commissioners and County Council people come in from the different counties...? You don't ever do that?

Roger Emmons: We've never done it.

Mike McCormick: You're a real exception, let me tell you. Because almost all every one of my public entities...

Don Williams: We don't do anything that has liquor at it to be honest with you.

Mike McCormick: Well, and here's the first thing that happens, you start sponsoring and you say 'but they're going to be dry' you know 'we're only going to offer Pepsi and iced tea and snack foods and we have it at the local restaurant in their party room and that's how we do it'. Well, the next thing you know is that a vendor for the Highway Department decides to bring a bottle of vodka with him and make it available to anybody that wants to have a mixed drink. You know what happen? Because you're the sponsor of the event, you just had liquor liability, you got the exposure. So that's why it's...you know, whether you like it or not, it's put in there, there's no price to take it out, it's there.

Rick Reid: So don't invite the Highway Department, right?

Mike McCormick: Yeah, that's a possibility; I'm going to get beat up by them before I can get out of town. The Dam Existence or Failure of the dam, the current carrier and Travelers both are including coverage. Dam failure is huge. Absolutely huge and it's important to have it and I just got off the phone, Keith and I just got off the phone with Bliss where even though in their proposal it doesn't state that they're covering the dam as an exposure. They in fact...the marketing rep committed that they have it, so it's in there now whether he likes it or not. That's the way I always like to do it, Keith, because that way, you know, he's on the hook.

Roger Emmons: Well, the no-dams is actually yes?

Mike McCormick: Is actually yes, and I'm sorry, I changed my copy, I got it, we were on the phone doing that as you guys were beginning the meeting so I apologize, that is...the answer on that is yes. Pesticides and Herbicides on application, um, you see that Houston Causality is the only one that automatically included it and Bliss McKnight offers that liability coverage. Employee Benefits, it's going to be Claims Made, I think anywhere we go. I'm not sure and I'm pretty sure, Bob, you can't even...right now to do the employee practices, employee practice on the...

Bob Fitzsimmons: Correct

Mike McCormick: Yeah, they're only going to do Claims Made. That's...you know, that's the big...that's the big jackpot right now on claims so...

Roger Emmons: So under First Advantage it's under the General Liability?

Mike McCormick: Under First Advantage...yeah, and Roger that's a good point that you're bringing up. They are...no, it's not in the General Liability, it's a separate coverage under their policy...they write a separate total cover and it's Claims Made on that, okay?

Roger Emmons: I was just going by what you wrote out at the side there. It says 'none' and then in parenthesis 'I believe' and then you said 'under GL (General Liability)'.

Mike McCormick: Deductable, that's...I'm sorry, that has to do with Employment Benefits Liability, none. Again, I did...I didn't line this thing out...so, and that's on deductible, to my knowledge...

Roger Emmons: Okay.

Mike McCormick: Now wait a minute, hang on here, you know what, that's two (2) different coverage, that's absolutely...no, Employment Benefits they have...Bliss McKnight has Employment Benefits as a separate cover, I said that correctly...if you go back into their proposal, there is a separate cover on a Claims Made basis and it's a two million (\$2,000,000.00), four million (\$4,000,000.00) with a twenty five hundred dollar (\$2,500.00) deductible and then they're offering a bump up to go to three million (\$3,000,000.00) six million (\$6,000,000.00).

Roger Emmons: Okay, well, it is under 'liability'...

Mike McCormick: But it's not under their general liability which is of their multi class up here, it's a separate cover, it's a separate policy that...I guess it's the best way to say it.

Roger Emmons: Separate liability policy.

Mike McCormick: Yes, Sir.

Roger Emmons: And then does that say a retro date on that?

Mike McCormick: We have asked for...I asked for retro dates on all of them, we'll hit that at the end.

Roger Emmons: Okay.

Mike McCormick: Auto liability's going to be on an occurrence form, um, Bliss McKnight is at two million (\$2,000,000.00) the other quotations were at one million (\$1,000,000.00) and they also offer an umbrella over the whole thing and I'll explain the differences there. Law Enforcement liability...oh, yeah, deductibles weren't any different...oh, no Med-Pay...Bliss McKnight does not like Med-Pay on anything. Now, let me give you a problem that I believe that they create for you as a client if you buy their auto policy. It's not uncommon for your employees to allow family and/or ride a longs in their vehicles. Even if it's during...right after a big snow storm and they used a pickup truck that they're allowed to use for work just to go to Wal-Mart, okay, it's not...we would be naive, let alone your Sheriff's Department, we would be naive to sit here and think that doesn't happen. Well, if those individuals get injured in that vehicle, your auto policy that you buy yourself, on your own family has Med-Pay and that's an automatic cover that you get right off the back. Bliss's attitude is we really don't want those people in...we don't want non-employees in the vehicles, therefore we're not going to offer Med-Pay and there's no way you can make them do it. They just absolutely freaking refuse to do it, okay? So, what they're saying and this is where Adam is going to get involved, what they're saying is, if Joe Blow, you're employee, is driving down the road and he gets a cell phone call and he reaches over for the cell phone and takes the vehicle off the road with his lovely bride sitting there in the vehicle with him when they go off and she gets hurt she needs to bring a liability claim against the county and against her own husband, which she can do, for coverage. I don't like it, that's the way they do it. It's one of those pet-peeves of mine with them forever. You currently buy garage keepers legal, garage keepers coverage...it's not legal, it's garage keepers coverage on impounded vehicles...the Sheriff's Department impounds some vehicles from time to time, is that correct?

Roger Emmons: Yes.

Mike McCormick: We get DUI and...okay, Bliss McKnight can do it, it's not in their proposal so that would be an additional...once again, I'm showing you the apples and oranges here, okay? And you saw the deductibles that are across the board for the companies that offer it. Law Enforcement, the Law Enforcement liability is written on an occurrence basis currently with Scottsdale, that's the only section that's on occurrence that they have, and so we don't have to worry about a tail with that coverage because it's occurrence. The same thing the Bliss McKnight quote would also be on an occurrence basis. Moonlighting...this line of duty coverage, I'm going to tell you that I absolutely hate it and I would tell you that we have to make three (3) phone calls for each CC, Travelers, I know how they can do it and Scottsdale, I think I know the answer on them, Bliss McKnight will not automatically include Moonlighting. So, what has to happen is your Sheriff needs to authorize each and every outside duty that is performed by either reserves or by officers. So, not uncommon in every county in Indiana that we have officers or reserves who handle traffic at the local football games and basketball games. It's not uncommon that we have them do functions like that if we have a festival or a...if it's a private firm or something that's a sponsor of it that there's money there that they're actually getting paid, it's outside employment. In my community we have Wabash College and we constantly...we always have...to give we have Wabash College playing DePauw University we need police men there because those two student bodies just don't get along. So, we hire these people, that's moonlighting, for it to have coverage underneath this we need supervisors of these people to have a written documentation that they are covered for moonlighting. That's just a

risk...that's something we do in risk management that we...we'll go through and tell every client we do business with. Cause otherwise it doesn't...if you're at the local McDonald's or the local Wal-Mart as a police officer but you're hired off duty and you wear your uniform or you work for the local funeral home in helping with a funeral possession you're not automatically...you're actually excluded by the policy unless there's documentation that says that it's an authorized activity.

Roger Emmons: Mike, under Law Enforcement Coverage Limits, option 1 (one) says '\$1mill/\$1mill/\$2mill'; does that have an extra '\$1 mill' in there or...?

Mike McCormick: The Scottsdale policy, Bob...it may be a bodily injury...is it a bodily injury property damage deferential and an aggregate?

Bob Fitzsimmons: It's an aggregate for sure, I'm not sure that \$1mill is \$1mill \$2?

Mike McCormick: So you don't think...okay, it's just an extra typo, again, I didn't have a copy of the...

Roger Emmons: So it's just \$1mill/\$2mill Agg.?

Mike McCormick: Yeah.

Roger Emmons: Now, Keith has quoted \$3mill/\$6mill...

Mike McCormick: Well, and I'm going to get to that at the end, that's why I told you remind me because we're back into apples and oranges, we don't have...you have two (2) different proposals, and two (2) different plans and two (2) different ways you can stack liability limits, okay? And that's...and they've been proposed to you and so that's part of the problem with it so...

Roger Emmons: First Advantage under Line of Duty is no?

Mike McCormick: That's correct, meaning that in less it's authorized...every police officer; do we have any in the room today?

Roger Emmons: Sure do, the Sheriff.

Mike McCormick: Perfect, every police officer in the nation thinks that when he gets in his vehicle and he drives into Louisiana and he sees a crime being committed that he's authorized and as a law enforcement officer to step in and cover...to pursue...do the arrest or whatever or bring in other departments to be involved. Guarantee you, every single one think they have that authority.

Sheriff Kruse: Where are you from?

Mike McCormick: I'm from Crawford.

Sheriff Kruse: That's not the way I was taught...

Mike McCormick: Well, you were taught correctly, okay? But I stood... (He's talking to the crowd; he is hard to hear)

Roger Emmons: Mike, would you please address the Board?

Don Williams: Yeah, you need to address us.

Mike McCormick: Okay, and talk to and...

Don Williams: They're just listeners.

Mike McCormick: Okay, and talk to the police chief of South Bend Indiana and he's telling me his men are authorized...I mean, it can be Ohio, they're covered to go do, well there is somewhat of an argument that they have...there are limited coverage's available to them, okay? Statutorily...there's some limited coverage's. What there isn't is any coverage from this liability policy. Alright, and then...

Roger Emmons: What's a 'soft hammer clause'?

Mike McCormick: A soft hammer clause is...that's the clause that says that the insurance company...you have consent to settle clause in there but the insurance company puts a percentage in there that if they came up with a dollar amount they think this claim is worth one hundred thousand dollars (\$100,000.00) and you say 'don't settle for that, we don't think you owe anything' and it turns out that it's two hundred thousand dollars (\$2,000,000.00) it gets settled for that you...at a percentage of that claim you bought in as a deductible and it becomes in this case seventy/thirty (70/30) soft hammer is they pay seventy (70) the thirty percent (30%) is the clients. I've seen more often fifty/fifty (50/50), I've seen them forty sixty (40/60), it depends on whatever the marketplace is doing so...I'm not a big fan of it, don't like it...actually it's a way for you to say 'just settle the claim, it's your claim, settle it'.

Roger Emmons: Public Officials Errors and Omissions?

Mike McCormick: The employment...the Public Officials Liability, thank you, I jumped right by it, the Public Officials Liability is a claims made currently, its claims made in the original Travelers quote, they also, Travelers will do it on an occurrence basis. I would have liked to have seen them, and Bob and I have discussed that, I would have like to see them quoted on that bases. They were trying to match coverage's, as I understand from Bob they were trying to match coverage cause they're currently written, and mature claims made, I love that one, that's basically saying 'did you file the claim?', 'has it been some maturity to it' therefore they're involved in it, it's the same as saying 'if you didn't file it it's not...we don't recognize it'.

Roger Emmons: Um, is that correct the deductible under Keith's is twenty five hundred (\$2,500.00)?

Mike McCormick: That's correct, that's correct, you're going from a twenty five thousand dollar (\$25,000.00) deductible currently in your current program to a fifteen thousand dollar (\$15,000.00) deductible that Travelers is offering and a twenty five hundred dollar (\$2,500.00) deductible that Keith is offering.

Roger Emmons: Twenty five hundred (\$2,500.00)?

Mike McCormick: Yes, Sir. What did I say? Twenty five hundred (\$2,500.00)?

Roger Emmons: Yeah, I mean, you wrote twenty five (\$2,500.00) but...

Mike McCormick: No, that's correct, twenty five hundred (\$2,500.00). Bliss has these stupid pre-printed forms that have twenty five hundred dollars (\$2,500.00) on them and I've told them for years...my clients would like some options if they...to save on premium dollars if it's a million dollar amount we can take high deductibles to look at that, they won't do it, will not do it. Need to. Hopefully in the future they will.

Roger Emmons: But Keith's is only written as an occurrence?

Mike McCormick: His is an occurrence across the board, other than the Employment Practices and the Employment Benefits, those sections are Claims Made.

Roger Emmons: Okay.

Mike McCormick: Retro Dates, the existing...there's two (2) normal ways that you stare at...when you're leaving a Claims Made policy to go to another company, to go to a different carrier that you would be able to try and...okay, the risk management 101 says that if we're going to leave a Claims Made policy the first thing we want to do is we want to contact every single employee of the county and we want them to notify us of any, in writing, any claim that they know that potentially could have happened. That they acknowledge.

Roger Emmons: Good luck with that.

Mike McCormick: But I'll tell you, that's risk management 101, okay? Then, after...and then what you do is you turn around and you mail that list immediately to your current company that you're getting ready to leave to say 'here's all these potential claims that we may have'. Now they've been put on notice so now potentially they have the claim, okay? There's a reporting form clause in there that says that they have so long...they have a period of time in which that has to be recorded. So, for those that we...there may be a janitor in this building that knew Mike McCormick slipped and fell today coming in here and he just didn't think, he was on his way to go to Wal-Mart and buy his wife a Christmas gift so he didn't think about telling anybody that that happened. And that claim comes in after and it's the scenario that's not covered, okay? Well, the way you get it covered is you either buy an extended tail off of the existing policy you bought, now that usually with most clients is offensive because what it in fact means is that on a policy you've already paid the premium on you're buying the right to file claims against it that already...that happened while you had in effect. Not new ones that are going to happen a month or two (2) months or five (5) months from now but ones that have already happened, they just weren't reported. And we try to pick a period out how long they can report those. The State of Indiana says under the Fair Claims Reporting Act that I think...it's six (6) months that they have the requirement to make the claim and then...no, that's been changed, Michael what is it? Isn't that awful...at any rate you've got twelve (12) months for protection underneath the constitution of the State of Indiana that people have to notify you and make a claim, okay? If it's a federal violation of civil rights there is no limit, there is no cap, its eternity, they can notify you twenty (20) years from now. So, we want to buy either advancing the retro or we want to buy a full prior ax coverage, well, the quote that we got from the current insurance carrier is they want one hundred fifty percent (150%) of the expiring premium for the Claims Made cover...only the Claims Made coverage's, okay? Without...because the policy...and you and I talked about this, Bob, because it they included all of the coverage's together it wasn't broken out, I...out off of the current quote, do you have that number?

Bob Fitzsimmons: For the Public Official?

Mike McCormick: For the Public Officials and the Employee Benefits, anything that's Claims Made in general, I'm going to tell you, I think that the number is approximately...it's somewhere between ninety five (\$95,000.00) and one hundred thousand dollars (\$100,000.00) that it's going to cost you just to leave that company.

Bob Fitzsimmons: That's correct.

Mike McCormick: Okay, yeah, roughly it's about...its somewhere between ninety five (\$95,000.00) and one hundred thousand (\$100,000.00).

Don Williams: And that's with any company pretty much?

Mike McCormick: That's just being able to report off of...for the same limits, for the same pariahs of coverage that we had to be able to report claims for...and it's for thirty (30)...we're given thirty six (36) months to get them in. So after thirty six (36) months...if it's the thirty seventh (37th) month that the claim comes in they're not going to entertain it.

Roger Emmons: So it's a crap-shoot whether the commissioners choose to pay that if they change local agents and companies.

Mike McCormick: They need to do something. If it...in my opinion...in my humble opinion...

Roger Emmons: We might buy it and there might not be any.

Mike McCormick: That is correct. But they need to do something. Now the alternative to that is to go to one of the companies you're looking at and do what we call 'full prior acts'...or 'prior acts to a certain date', okay? Now, Travelers, did they give you a quote on prior acts on...?

Unknown Speaker: Well, it's included back to 1995.

Don Williams: Yeah...

Mike McCormick: Okay, so it's...Traveler's quote automatically includes...and they're...all they're doing is matching the coverage's of the prior insurance company for thirty six (36) months and they're including it into their premium. And then the Bliss McKnight quote would only write one million (\$1,000,000.00) per occurrence, one million (\$1,000,000.00) in aggregate and they would back up to January 1st of 2009 and they'll charge a premium of thirteen thousand four zero three (\$13,403.00) but they're limiting it to just a million (\$1,000,000.00) bucks so if we have a three million dollar (\$3,000,000.00) claim they're paying one million (\$1,000,000.00) okay? So that's the crap-shoot, Roger.

Roger Emmons: I understand.

Mike McCormick: Okay, now Workers Comps with its IPEP...you know, you got...all you've got there is competition on the pricing when you look at it, um, Employment Liability, there has not been a successful Employment Liability claim in the state of Indiana since like 1954. It's because workers comp the definitive remedy. A worker get hurt, he goes under comp, there's a schedule he gets paid, he loses part of his finger, there's a schedule, he gets paid. So, Employment Liability is if for some reason you didn't do it right or something they would have the right to come back and reclaim. We see those claims a lot in California because were we get them is from spouses and children bringing a claim on the fact that dad got ran over by a fork lift or whatever at work. Indiana doesn't except them. Okay, now, here again becomes the fun one, the cost as you go through the different proposals, you see that the property including earthquakes, eighty eight thousand (\$88,000.00) with Cincinnati, HCC did a blanket, they didn't break it out, they didn't want anybody to know how they were pricing their different coverage's so they blanketed their dollar amounts and Bliss McKnight's, the Chubb sixty four thousand zero thirty eight (\$64,038.00). Other than deductible don't ask me how they can be that much different it's...

Unknown Speaker: When we're in an earthquake zone Cincinnati puts a full earthquake limit, since it's such a high earthquake zone.

Mike McCormick: Okay, versus two million (\$2,000,000.00) was the limitation on Bliss McKnight's, is that right?

Keith Shelton: Twenty five...

Mike McCormick: I'm sorry, twenty five, not two million, I'm real close... Inland Marine you had twenty three thousand (\$23,000.00) from Cincinnati for the premium, you have four seven hundred forty four dollars (\$4,744.00) with Chubb on Inland Marine. But you also have a differential of coverage. Now, it isn't going to be that much more to bump up the Chubb, it's not going to take you to twenty three thousand (\$23,000.00). The General Liability, you see it was ninety one thousand (\$91,000.00) with Scottsdale, forty one thousand (\$41,000.00) with Travelers, one hundred eighteen thousand (\$118,000.00) with Bliss McKnight. Now, Bliss McKnight puts all their liability...that's what Roger keeps asking me this question about, there's no separate umbrella, their coverage's are all together in that three million (\$3,000,000.00) six million (\$6,000,000.00). So, if we catch one auto liability claim that is three million bucks (\$3,000,000.00) we have just eroded all of our policies liability limits on that one claim, okay? Now, the argument there is that you can take it higher to try and match up...it's...quite frankly its apples and oranges, there's no easy way to make them match up. The General Liability is ninety one thousand eight hundred seven (\$91,807.00) with Scottsdale, it's forty one (\$41,000.00) with the Travelers and I told you that...I said one hundred eighteen thousand (\$118,000.00) it was with Bliss McKnight but it includes all of their liabilities together in there...

Don Williams: When you say...

Mike McCormick: With the acceptance of the law enforcements...

Don Williams: Excuse me...

Mike McCormick: It's a separate eighty seven thousand (\$87,000.00), they broke that up. See that isn't that off to the side?

Don Williams: How about Employment Practices Liability?

Mike McCormick: Employment Practices is...you're going to catch those...you got thirty five thousand (\$35,000.00) and seventeen hundred and eighty eight bucks (\$1,788.00).

Don Williams: So Law Enforcement is separate from the General Liability?

Mike McCormick: They broke it out, they don't usually do it and they're not going to see it done on their deck page that way, Don, but they broke it out on your cover sheet if I remember right is what I saw, Keith. Access Coverage and that is an umbrella over all of the coverage's that you buy, the county has that now, okay, you've got an Access Liability Policy...

Roger Emmons: So First Advantage...

Mike McCormick: You got two million (\$2,000,000.00) and two million (\$2,000,000.00) in access that is on the quotes that came out of Bob and Randy, okay? You have no access...it's in the three million (\$3,000,000.00) six million (\$6,000,000.00)...

Roger Emmons: Right, three (3,000,000.00) and six (\$6,000,000.00), there's no umbrella; it's all in the limits.

Mike McCormick: That's correct. Public Officials twenty eight thousand (\$28,000.00) premium for the Scottsdale, thirteen thousand (\$13,000.00) for Travelers, it's included in the premium in the multiclass but it's also included in the limits with Bliss McKnight. We did employment practices thirty five (35), thirty five (35) and seventeen hundred (1,700). Don't ask me...workers comp...if you ask me that's where we become prostitutes in this business because you see pricing that jumps so varied there. Employment Practices one hundred fifty two thousand (\$152,000.00) for...I'm sorry...

Roger Emmons: That's work comp...

Mike McCormick: Workers comp (\$152,000.00) for IPAP and one hundred forty seven (\$147,000.00) with Bituminous. Again, that's just buying business. So, and then...Bob had...the Traveler's has a neat Cyber Liability Coverage and

they threw in twenty five thousand (\$25,000.00) they can take it higher, you can buy more, it's kind of unique coverage out there right now, we are certainly are seeing the need for it with the internet. You know, I've got a couple of clients that are scared to death right now over some documentation that has been put out between public officials and they're scared about things getting out to the public that shouldn't be out yet, okay, well that falls under that cyber liability issue so...and Bliss McKnight does not address so therefore they do not have cyber liability, I'm sure it's something you can go buy, I have not seen the pricing on it to know what the cost is. Um, so now you're staring at the bottom line numbers across the board on those and then I know that Bob you... and you may want to address this, you have...Travelers came back and took a look at it, I never got the quotation that you...okay, so...

Bob Fitzsimmons: A lot of their original quotes had the fifteen thousand dollar (\$15,000.00) deductible and they raised it to twenty five thousand (\$25,000.00) again trying to match up more with Scottsdale so there shouldn't have been a email that I sent to Roger at some point, that's where I seen the change in the deductible...

Roger Emmons: There was...you got that...I gave that to you.

Mike McCormick: Yeah, well, I got it today I haven't, I never got a chance to read it to be honest with you, I've been finishing up this so but I do have it you handed it to me before I came in.

Rick Reid: Well, you have different numbers on First Advantage over here and this table over here says four sixty six nine sixty four (466964) and over here it says five thirty two (532)...

Roger Emmons: Well, that's option three (3) from Bob and Randy. The four sixty six nine sixty four (466964) is Keith.

Rick Reid: Oh, okay.

Mike McCormick: Yeah, that's Keith's. And then Keith has a...Keith has an optional quote for a Crime Shield Coverage, do you want to explain that to the Commissioners?

Keith Shelton: (He is sitting in the audience; away from the mic; I cannot hear)

Mike McCormick: And is it for all departments? Is it just...

Keith Shelton: It's all departments.

Mike McCormick: Okay, and what's the maximum amount of coverage?

Keith Shelton: Twenty five thousand (\$25,000.00).

Mike McCormick: Twenty five thousand (\$25,000.00) and it's an additional thousand six dollars (\$1,006.00). So, again, you got...you know, we've been to the fruit stand, you can see and...now, if you hired us to come in and we did...the one thing we do is tailor the thing more and we work directly with the different agents quoting it to try and get the quotes to match up the best we can so that everything...then it would have been occurrence on every coverage we could have done across the board. So I'm going to recommend to the Commissioners, the last thing I'm going to say about me is that in the future I would recommend that you hire our firm to come in and do this. We work for counties next door to you, you know, we work for nineteen (19) counties in the State of Indiana and I told...I've thrown out names, I've worked for Anderson, I've worked for...I've actually worked for the City of Indianapolis.

Don Williams: Put all the specks together and all that?

Mike McCormick: I've actually spent more time with the law enforcement department when they were fighting between the Sheriff's Department and the City Police Department trying to do some recommendations on law enforcement liability protection. So, yeah, you know, that's what we do, I mean, we...that's a sideline for us, about thirty percent (30%) of our...okay, according to Metzger Agency and Mike McCormick about...we're a Retail Insurance Agency just like these guys. About thirty percent (30%) of our book and business is Public Entities. I've been doing this since 1984, been doing it...been writing public entities since 1979, I've been doing the teaching and consulting since 1984. And what I would have...had I had the time, it takes us about...I'll be honest with you...it takes us between three (3) and six (6) months to do a full blown assessment of the county to be able to put specs together and put them out there and then we work with you, it's a professional service, so you can pick the different agencies that you want to do this, contact them, we go through and we work with...

Roger Emmons: And that cost is like five (\$5,000.00) or six thousand (\$6,000.00)?

Mike McCormick: It would cost you...it's by the hour just as you're paying me today, it's by the hour and it's my rate and I would tell you that the average county we charge between five (\$5,000.00) and six thousand dollar (\$6,000.00).

Don Williams: Well, it's good to know about your services, that's for sure.

Roger Emmons: Do you have any knowledge or experience for of the bituminous for the work comp?

Mike McCormick: The bituminous is...yeah, they're excellent company, that's an excellent market. We use all these markets on our clients. I have clients with bituminous, I have..., okay? I've got clients that nobody else wants and they're lucky enough to get picked by bituminous or IPAP on workers comp. Workers comp is one of those explosion and it's the most unprofitable line of business that these guys are dealing with today. Questions?

Don Williams: Yeah...

Mike McCormick: Fire away.

Don Williams: If you were me...

Mike McCormick: What would you do?

Don Williams: That's why we're here.

Mike McCormick: Well, the one thing that has to stare out at you is economics, okay? And I'm not sitting here saying, it's...even...I think even if you asked the agents to come up here and talk about it I don't think that Don and Randy have a comfort zone with the county staying in Scottsdale do you? Would you feel that's the best avenue for a county to stay with right now? Okay. Most likely they'd push Travelers. Travelers has the ability to do a lot...Travelers and OneBeacon, who you didn't get a quote from, are the two (2) largest competitors besides Bliss McKnight on doing public entities right now. And I would love to see them go head to head...the three (3) of them go head to head on this county to put their best foot forward on a proposal. But we don't have enough time, I mean; you've got a one/one renewal.

Don Williams: Yep.

Mike McCormick: So, Don, in answering what you're saying economics is the first thing I stare at, now, when I stare at economics what do I lose in making a switch? Well, it's that tail, it's that Claims Made coverage that we have a problem so do you want to spend...it's a one (1) time payment you're going to make. Do you want to spend ninety five thousand dollars (\$95,000.00) to ensure that any claim that came in the next thirty six (36) months will have coverage as we had before, not as we're going to, but as we had before on the coverage's or do you want to spend thirteen (\$13,000.00) almost fourteen thousand dollars (\$14,000.00) but be limited to only...are you going to run the risk or gamble with the counties money that no claim will come in more than one million dollars (\$1,000,000.00) and in aggregate of this period in time of one million (1,000,000.00), I would love to see that number be higher, they will not change it. Now the third option is to go Travelers. Travelers is doing full prior acts so they're picking that up but it's a higher number and Travelers is the middle quote. But Travelers has got some Claims Made coverage's in there that I would tell you...I believe they would do occurrence form on a quotation if we asked them.

Bob Fitzsimmons: (Cannot understand)

Mike McCormick: It absolutely should, it absolutely should. The problem that I get with, Bob, and I really get mad at the Travelers and the OneBeacon that have both forms laying there and...that's going to be best for them economically.

Rick Reid: Totally confused?

Don Williams: No, I just thought he'd say this one here, A, B, or C.

Mike McCormick: So there's my answer.

Rick Reid: It's a political answer.

Don Williams: You didn't answer.

Mike McCormick: I did, I did answer and I...you know, it's really your decision, I can sit here, you know, the decision is, if it's economics and if you're really going to run a risk that no claim is going to be more than a million bucks then jump at Bliss McKnight. On the other hand...but, also know that you are buying potentially less liability limits then you've been carrying the past because you don't have the umbrella that covers everything. Travelers is going to offer it, OneBeacon's going to offer it, Bliss just doesn't do umbrella's any...I don't think, Keith, I don't think they've done umbrella since the late 1980's. I think that's the last time they did an umbrella.

Bobby Howard: Well, just to interject on Bliss's', rented from others, equipment cost, I mean, a hundred thousand dollar (\$100,000.00), that won't touch some of the equipment that we have to rent. I just want you to be aware of that too. That four hundred thousand (\$400,000.00) is more in line.

Mike McCormick: So all this needs to be bumped up to be able to...to make them be more apples to apples, closer to apples to apples.

Rick Reid: Now the tail, is that just for option one (1)? Is that the only one that's...?

Mike McCormick: The tail is for anything, we asked them to do a tail on anything that is Claims Made so...

Rick Reid: You don't pay on option one (1) cause it's going to...

Mike McCormick: Ah, thank you, you're correct, if you stay where you are you don't need a tail; cause it automatically, you know, it's that price.

Roger Emmons: No...

Unknown Speaker: You don't...with Traveler's either.

Mike McCormick: Well, Traveler's is built into it...you'd be required to have...you've already have them bill it in. Right, the pricing...yeah, it's already been built in.

Don Williams: He didn't answer my question did he?

Unknown Speaker: (Someone in the crowd asked a question; I cannot hear)

Mike McCormick: Yes, that's fair, that's right...yeah, so you're now at four seventy (\$470,000.00)...four eighty (\$480,000.00), I'm sorry, four eighty (\$480,000.00). Earthquake is not...the dollar amounts are different...it's not the full forty two million (\$42,000,000.00). Now, can Bliss McKnight get...? Could Chubb do it? They could, I think Bliss...so an additional eighteen (\$18,000.00) on top of the four eighty (\$480,000.00) takes it to four ninety eighty (\$498,000.00) so now you're five hundred thousand (\$500,000.00)

Roger Emmons: Five hundred thousand (\$500,000.00) from First Advantage or...?

Mike McCormick: Yes, to try to get the earthquake and the full prior acts in with Bliss to match them up with First Advantage.

Roger Emmons: But see, option three (3) to me is the lowest of what Randy and Bob quoted at five thirty two six ninety five (\$532,695.00) but...

Mike McCormick: But it's got higher deductibles...

Roger Emmons: Right.

Mike McCormick: And deductibles across the board and it's Houston Casualty Company and if you ask me comforts on there the answers no, I don't have comforts on them.

Marlin Weisheit: Mike, are we going to save money with Bliss McKnight on the deductible where this twenty five hundred dollar (\$2,500.00)...?

Mike McCormick: Every claim you have you will let's hope we don't have any claims. Oh, yeah, you're going to save a fortune on claims, all you've got to do is have one (1) claim and it's the difference between twenty five thousand (\$25,000.00) and twenty five hundred (\$2,500.00).

Marlin Weisheit: Yeah, well we've been paying the first twenty five thousand (\$25,000.00), right?

Mike McCormick: Yes, Sir.

Marlin Weisheit: And we have several claims so...

Mick McCormick: Actually this year's been, Marlin, this year's been really good, your claim history, when you stare at it...

Marlin Weisheit: Yeah, this year.

Mike McCormick: Now, three (3) years ago was awful. For every dollar that you paid an insurance premium the insurance company paid out two hundred thirty seven (\$237.00) dollars. Yeah, bad year, but this year for every dollar that you paid in they only paid out nine cents (.09), yeah, great year. And Randy is going to tell you that it was expert risk management of the current insurance agent.

Adam Long: (Cannot understand)

Mike McCormick: Oh, yeah, Adam is jumping in...he's saying 'oh, Michael, don't forget the County Attorney'.

Marlin Weisheit: Yeah, it does help.

Mike McCormick: Now, yeah, does Bliss have a good policy? They have an excellent policy. One of the things I don't like...you know, I should have brought this up cause Randy and I talked about this early on. One of the things I do not like about Bliss McKnight's Liability Policy...I laid it out to show Adam, under Civil Rights Violation, Adam, Bliss McKnight puts out what I referred to and put out there as a 'named pariah policy'. They list the civil rights sections that they entertain in clients. So what's wrong with that? Well, the jump out major bad one that they don't have on there is 1988. Which Travelers covers. Which Scottsdale's covers. Okay? And what's a 1988 violation? Its attorney's fees on a civil rights claim. And there's a very, very famous law suit about a little town in Ohio that is a town of about thirteen hundred (1,300) people that a guy owned acreage right next to town and he wanted to have his acreage annexed into the town. And the town fathers asked him what are you going to do with it? And he says I'm going to put in the Jim Dandy Trailer Park and they said you know what, we don't want the Jim Dandy Trailer Park in our town so they denied him, just as your little meeting that you had up here this morning, they had theirs for that little town and he sued him and took it to the Federal Courts and his judgment that he won was one dollar (\$1.00), the Judge told them they had to annex his property, they couldn't deny and he won one dollar (\$1.00) for that right and attorneys fees. The attorney charged one point two five million dollars (\$1,250,000.00) for his fees to win that case for his client, okay, that's where...so now, will Bliss McKnight endorse that on there? Yes they will but you got to get a quote for that, you got to get a separate quote, Keith, from them for an 88 violation...

Don Williams: We could have came to this...

Mike McCormick: It's a percentage of the...

Don Williams: I think Roger and I could have came to the same decision.

Roger Emmons: I don't know what to say.

Mike McCormick: Well, they're apples and oranges, I don't know what else to tell you, they're apples and oranges, if you're wanting to step out and get risky then I think...and with a very good policy that I think at one time wouldn't the county...didn't Bliss McKnight at one time insure...

Unknown Speaker: I quoted it all in 1995... (I cannot hear what they said.)

Mike McCormick: And that's the...and I should have said that too.

Unknown Speaker: And they've been asked to quote various times over the last fifteen (15) years by me but they did not decline the quote. We'd quote a couple of times and then they'd...

Mike McCormick: And they look at the amount of the premium that's been charged in the risk and they look at the losses and they make a determination whether or not they're going to quote or not, okay? Well, that's the marketplace, I mean, honestly, that's the marketplace and what's happened is...I'm shocked, I'm absolutely in awe that they're this low. And Keith I don't know how many different clients you got with Bliss McKnight but I would tell you that we've lost more in the past few years because of them not budging on price and I'm tickled to death to see them come back in and do this because they only write in four (4) states; they write in...cause I don't think they do Kentucky anymore; they do Illinois which is their...they're out of Bloomington, Illinois, Indiana, Wisconsin and Ohio, they do a little bit in Ohio, not a lot. They have a TPA in Florida that they do some stuff out of.

Unknown Speaker: (Someone says something in the audience)

Mike McCormick: No, I actually like them.

Unknown Speaker: Okay, in 1986 when all the... (Cannot hear; in the audience)

Mike McCormick: Well, not that...I chase it back further than that, Keith, Bliss McKnight came into Indiana in the late 1970's and when nobody wanted to put these together in writing Bliss McKnight was doing it so...but unfortunately as markets soften and prices soften, as the Travelers and OneBeacon's and the Hylant's came in and started buying public entities Bliss wouldn't budge on their pricing. I'm tickled to death to see them be this low; I'm shocked they are this low. But it's a quality product, I'm just telling you if you were sitting with them right now and thinking about switching I'm sitting telling you...what's nice is you're sitting with occurrence with so much stuff that it makes it easy making the decision. The problems Scottsdale, you know, it's the current carrier with the Claims Made sections, but there was a point in time that Scottsdale was probably the only market that would write you and Scottsdale at one time was one of the biggest players in doing public entities.

Don Williams: You made a statement that you were surprised that...First Advantage was so low...

Mike McCormick: That the First Advantage quote from Bliss McKnight was so low, yes.

Don Williams: Do you consider that a low ball bid and seeing it go up next year or...?

Mike McCormick: Boy, that's the twenty four thousand dollar (\$24,000.00) question. No more do I see that than I do Traveler's going up. Travelers just took some...the Travelers accounts that we got have taken some twenty percent (20%) pops in the last two (2) years so Traveler's was way low and they've come back up to where everybody else is, Don. OneBeacon has done the same thing. OneBeacon came in and wrote Hendrick's County and wrote them at thirty percent (30%) below what Bliss McKnight was selling Hendrick's County for three (3) years ago. Thirty percent (30%). Now, they're right back up to where the numbers where that Bliss McKnight was.

Don Williams: So we can expect these probably to go up within a year or two (2)?

Mike McCormick: I think they're going to periodically go up and I think that's why you hire clowns like me to come in and put specs together and try to have your best foot forward when the quotes come in that they're the closest together that they can be.

Keith Shelton: But that's the case of every company, of all the companies.

Mike McCormick: Well, it's the public entity market and you're right about that, Keith, it's the public entity market.

Keith Shelton: And I don't believe that Bliss McKnight purposely low balled this, I think...

Don Williams: I didn't mean that as a negative, I mean...

Keith Shelton: I think that was a...

Mike McCormick: I hope that. What they told me at the Big I Convention in November was, I asked them, I spoke specifically...and he said Michael when you going to get some...he said we're...it's coming...and they told me that I was going to be surprised...

Don Williams: We got to do this cause it's got to be in by January 1st so we got to do it.

Mike McCormick: And I would bet you, Randy, if we could go back and pull the...the last quote that you had it had...it was compared to the market place it was but it was a premium product compared to... I mean, it didn't have...

Don Williams: It's been very educational.

Rick Reid: Appreciate it.

Roger Emmons: Did you bring the contract or...?

Mike McCormick: No, I asked the ladies if...and that was our discussion if in fact and that's what Adam looked at is if...

Adam Long: And I think that's right, the email was that the Board gave authority at the meeting for us to contact him to handle that so, I mean, there's no real reason to sign a contract after the fact.

Mike McCormick: I think you got two (2) choices to stare at. You've got Travelers, you've got Cincinnati Traveler's and you've got Bliss McKnight and then now we're looking, we don't, they're not going to match up but one of them is going to be a little lower on premium. One of them is substantially lower on deductibles. You know, if we caught four civil...if the jail alone created four civil right violations for us this year, okay, you're staring at one hundred thousand dollar (\$100,000.00) in claims with the Travelers versus...

Unknown Speaker: Ten (\$10,000.00)...

Mike McCormick: Thank you very much, it's late in the night for me...ten thousand (\$10,000.00) with...so there's ninety thousand dollars (\$90,000.00) in savings that...and I would assume that when you have claims come in, Roger, that's a cost of insurance, that's how it's...that that deductible difference is factored into your insurance policy.

Roger Emmons: Yes.

Don Williams: Any other questions from the Board? Thank you, Sir, I appreciate your time, you've got a long drive.

Mike McCormick: Yeah and an hour...as you reminded me Don, it's an hour later when I get there.

Don Williams: Four (4) hours down, five (5) hours...six (6) hours back... Okay, any other questions from the Board? If not I'll entertain a motion.

Marlin Weisheit: Have you got a motion, Mr. President?

Don Williams: No, I...

Marlin Weisheit: I know we put a lot of thought into it, we all have. I mean, we're going to have to make a move here, it's getting late so...

Don Williams: Yeah, you got January 1st so...somebody make the motion and we'll see where it goes. You're kind of like me, I feel not a whole lot better when Roger and I sat down and looked at it.

Marlin Weisheit: I'll make a motion that we, I mean, we need to tweak it if we go with First Advantage but I'll make a motion to go with them to specify what Bobby brought up so on the rental equipment that we're covered there and then we take the thirteen thousand dollars (\$13,000.00) to cover any prior losses, I mean, we got to cover that but that's our best economic move and the hit we've took economically this year we've got to do everything we can to save every dollar. I will have to say working with Bliss McKnight in Chandler, they've been outstanding to work with the last five (5) or six (6) years down there and the staff there and Mark that comes in and does the training, I know he'll probably train the drivers and...it's a good program so... That's my motion.

Rick Reid: Second.

Don Williams: Would you restate your motion please?

Marlin Weisheit: Go with First Advantage but also add the coverage, it's going to get up closer to five hundred thousand (\$500,000.00) the thirteen thousand dollars (\$13,000.00) to cover the tail, cause that's our best economical way out of that, and then the...whatever it takes, I think it was around Inland Marine coverage and Bobby was concerned about the liability on the rental equipment cause we got to have four hundred thousand dollars (\$400,000.00) on some of the equipment that we do rent.

Don Williams: I'm not so sure that we do, that covers everything right, at the same time? We can talk about that.

Marlin Weisheit: That's something we can adjust but I mean that's just things we may have to tweak.

Roger Emmons: Yeah, it was the rental equipment.

Marlin Weisheit: I am comfortable, I mean, I think we're going to save money in deductible claims so that's going to help there too so it should balance but that's my motion anyhow.

Don Williams: Okay, so I have a motion...

Rick Reid: I second.

Don Williams: I have a motion and a second to go with First Advantage. All in favor say aye.

Rick Reid: Aye.

Marlin Weisheit: Aye.

Don Williams: Motion carries. It only takes two (2).

Marlin Weisheit: That's right; it only takes two (2).

Roger Emmons: So you abstain?

Don Williams: No. I don't have to vote, I'm the President.

Marlin Weisheit: He's made that clear to me.

Roger Emmons: That is abstaining if you don't vote.

Marlin Weisheit: One of these days I'll get him to vote, Roger, I just don't know when.

Roger Emmons: Okay.

Don Williams: Oh, he's got me to vote before.

Marlin Weisheit: I know.

DEPARTMENTAL REPORTS

COUNTY ADMINISTRATOR

MOU ~ Warrick County Health Department (from 11/25/13 meeting)

Don Williams: Okay Departmental Reports, County Administrator.

Roger Emmons: The next item is the Memoranda of Understanding (MOU) that was continued from your November 25th meeting and I sent you an email, um, answering...Rick's concerns about coverage in Ohio Township and Ohio Township will be covered at Crossroads Christian Church and the Apple Center so you are okay to approve the MOU's I presented last time for the Warrick County State Road 62 Industrial Park and the Warrick County 4-H Center. Those are for Don's signature as Board President.

Don Williams: Okay, all in favor, I need a motion and a second on approving the MOU's for the Health Department.

Marlin Weisheit: I'll make the motion.

Rick Reid: Second.

Don Williams: Motion and a second. All in favor say aye.

Marlin Weisheit: Aye.

Don Williams: Motion carries.

Roger Emmons: I have one (1) last item, Daniel Edwards, are you...?

Don Williams: Sorry to keeping you waiting so long, Sir.

Daniel Edwards: That's alright.

Don Williams: You're educated on insurance anyway, right?

Daniel Edwards: I am, yeah.

Roger Emmons: I have an email November the 6th from Daniel and he represents Newburgh Christian School.

Daniel Edwards: Yes, Sir.

Roger Emmons: They're planning on a fundraising run the last Saturday in February, is that right? Do you know what time?

Daniel Edwards: 2:00 PM in the afternoon so it'll be 2-22 at 2:00, February 22nd at 2:00.

Don Williams: You shouldn't have to worry about getting too hot.

Daniel Edwards: Right, right.

Roger Emmons: They would like to use Telephone Road between Epworth and Bell. I did state in my November 6th email response to Daniel, with the Commissioners and Adam were copied on it as well as others, that they would need to submit your Certificate of Liability Insurance and you've got that information. Did you also look into developing a Hold Harmless Form?

Daniel Edwards: Yeah, we're going to have our insurance company help us put that together.

Roger Emmons: I don't know...the road that that you would like to use is a pretty heavily traffic road there on Telephone. I mean, I don't know if that time is okay. Daniel did mention that there are only...the only intersections were South Steven Station Road and Libbert both of which terminate on Telephone so... It's up for the Board to make the decision on using that route.

Don Williams: We got two (2) streets, one of them's not really a cross street, you've got Libbert and what's the other one...down on the west side...Stevenson Station Road south.

Roger Emmons: Is it a 5K or...?

Daniel Edwards: It's just a one (1) mile. One (1) mile certified run. Because it's a short distance it won't require a whole lot of intersections and it won't last very long either.

Rick Reid: How long...how many people are you going to have?

Daniel Edwards: We will open up registration once we get permission, um, and so we won't know and so registration starts...but because it's a short distance we're looking at the road being closed for maybe one 1:45 to 2:45 or 3:00, something like that it'll be a very short time.

Rick Reid: Well, if you don't have very many people you've got jogging paths or bike paths in there already on telephone so you might be able to keep that down to...

Roger Emmons: You could run it under traffic?

Rick Reid: Yeah.

Roger Emmons: We've done that before, there's other races that have done that and with the Sheriff's presents it would just be the one (1) mile? You wouldn't go out a half and then come back? It'd be a start and a finish?

Daniel Edwards: Our hope is to do a one (1) mile straight shot to attract people to try to do a personal best time, not have to make a hair pin turn.

Don Williams: Okay, what's the will of the Board?

Marlin Weisheit: Sheriff, you might want to run in that one, you know it?

Sheriff Kruse: I doubt it.

Rick Reid: What do you think, Sheriff? Is that going to be okay?

Don Williams: I need a motion on Mr. Edwards's request, fella's, it's getting late.

Sheriff Kruse: I don't like it but it's your call. I just don't like it because of the traffic.

Roger Emmons: Bobby might be able to respond to the...

Rick Reid: Well, with Oak Grove being closed too it's...

Roger Emmons: What's the ADT, Bobby? Do you have any idea?

Rick Reid: It's still closed at that...

Bobby Howard: Yeah, since...we haven't done any traffic counts I don't think since Oak Grove is closed on that road, that section of road way, I know it is heavily traveled, I do not know what a Saturday in the afternoon traveling...what the volume is at that time but as Rick did state there is eight (8) foot wide shoulders on the roadway...

Roger Emmons: Okay

Rick Reid: Depending on how many people you're going to have there that might be an okay...

Don Williams: We can determine...I think we can tentatively approve it and get the particulars.

Marlin Weisheit: Yeah, if they just had a police car to follow the last runner, you know what I mean, cause it's not got going to take that long to do a one mile run in and maybe one of the reserves would work that or something so, I mean...

Rick Reid: You're one of those four (4) minute milers anyway aren't you?

Marlin Weisheit: No. (Laughter)

Don Williams: Okay, I entertain a motion on Mr. Edwards's request.

Rick Reid: Motion to approve.

Marlin Weisheit: Second.

Don Williams: Motion and a second. All in favor say aye.

Rick Reid: Aye.

Marlin Weisheit: Aye.

Don Williams: Motion carries.

Marlin Weisheit: Good luck out there, Daniel.

Daniel Edwards: Thank you, appreciate you guys.

Roger Emmons: That's all I have, Mr. President.

Rick Reid: Keep us posted on how many people you might have...

COUNTY PURCHASING

Don Williams: Joe, do you have anything?

COUNTY ATTORNEY

Ordinance 2013-30 ~ Executive & Fiscal Body Districts (2nd & 3rd Readings)

Don Williams: County Attorney.

Adam Long: I have the Ordinance 2013-30 which was voted on, introduced and voted on in the previous meeting and passed on first reading. We need to have a motion to proceed to the second reading of Ordinance 2013-30, an Ordinance of the Board of Commissioners regarding Executive and Fiscal Body Districts; I'd requested that motion be made and that it be done by Ordinance number and title only.

Don Williams: Okay, do I have a motion?

Marlin Weisheit: I'll make a motion to approve Ordinance number 2013-30.

Don Williams: Second reading by name and title only.

Marlin Weisheit: Yes.

Don Williams: Okay, do I have a second? I'll second the motion. All in favor say aye.

Marlin Weisheit: Aye.

Don Williams: Aye. Motion carries. Do I have a nay or abstention over here?

Rick Reid: Nay.

Don Williams: Okay, let that be known, two (2), one (1).

Adam Long: Warrick County Ordinance 2013-30, An Ordinance of the Board of Commissioners regarding Executive and Fiscal Body Districts we need a motion to pass that on third and final reading.

Marlin Weisheit: So moved.

Don Williams: I'll second. All in favor say aye.

Marlin Weisheit: Aye.

Don Williams: All opposed say nay.

Rick Reid: Nay.

Don Williams: Passes two (2), one (1).

Adam Long: So at this point in time Roger had changed the date from the original version to December for the month listing and the date so that's the only adjustment so it's prepared and he has a copy available for signatures today.

Don Williams: Okay, you're talking about the Manatron?

Adam Long: No, I'm sorry, the Ordinance.

Don Williams: Okay.

Adam Long: When I read it into the record at the last meeting I read 'November', I had anticipated a passage on that meeting night.

Manatron Contract

Adam Long: And then I had the Manatron Contract. The last time we were here I had introduced...or brought the board, I guess up to speed with respect to where we were on that particular day in reference to the Manatron Contract I believe since that meeting I forwarded the red-line version out to the board to review to see what changes they excepted out of the changes that I've requested and at this point in time it's really up for the Board to determine whether approval is appropriate at this time. I believe the Assessor is here to speak towards that and I believe Mr. Dugan is also interested in this contract.

Don Williams: Okay, is it ready to go? You got all the changes?

Adam Long: It is, Roger, do you have the copy of the version that I forwarded up a couple of weeks ago?

Roger Emmons: Yes.

Don Williams: I talked to them at the conference and they said they made a lot of changes that you requested.

Adam Long: They did. Normally when you deal with somebody like Thompson Reuters...

Roger Emmons: That's the only one you sent me.

Adam Long: Okay, I'll have the original version, normally when you deal with somebody like Thompson Reuters they don't really like to change their standard form contract but the person I dealt with was really helpful, open-minded, actually went over his pay grade so to speak to some higher ups in the various departments, accounting and what not to determine whether they'd make any some of the changes so...I think they put forth an effort and it's worth giving them a shot.

Don Williams: Okay, so it's ready to be passed?

Adam Long: Yes.

Don Williams: Any questions? If not I'll entertain a motion to approve the Manatron Contract.

Marlin Weisheit: I'll make a motion to approve the Manatron Contract.

Rick Reid: Second.

Don Williams: I have a motion and a second. All in favor say aye.

Marlin Weisheit: Aye.

Rick Reid: Aye.

Don Williams: Motion carries. Thank you, Gentlemen. Anything else, Mr. Attorney?

Adam Long: That is it.

COUNTY ENGINEER

Change Orders #6 & #7 ~ Lincoln Avenue Phase II

Don Williams: Okay, County Engineer, you have...

Bobby Howard: Yes, the first items I have is Change Orders six (6) and seven (7) for the Lincoln Avenue Project, Change Order six (6) is a zero dollar (\$0.00) Change Order, it was just a material only Change Order and Change Order number seven (7) was related to its striping change to add the bicycle lanes and signage per request for the

EMPO and that total amount of that Change Order was nineteen thousand seven hundred thirty dollars and ten cents (\$19,730.10) and I'd recommend approval of these two (2) change orders.

Don Williams: We pay twenty percent (20%) of that?

Bobby Howard: Yes.

Marlin Weisheit: Can we do them together?

Bobby Howard: Yes.

Roger Emmons: That's for both of them?

Marlin Weisheit: I'll make a motion to approve Change Orders six (6) and seven (7) on the Lincoln Avenue Phase 2 Project.

Rick Reid: Second.

Don Williams: Motion and a second. All in favor say aye.

Roger Emmons: That amount was for both of them?

Bobby Howard: Yes, it was zero (\$0.00) dollars for Change Order six (6) and then nineteen thousand (\$19,000.00) for...

Roger Emmons: Okay, thank you.

Scales Lake Dam Project ~ Release of Retainage

Don Williams: Scales Lake Dam Project, the Release of Retainage.

Bobby Howard: At this time I just received a call back right before this meeting from the contractor, we're trying to work out some damages that they've caused to some of the interior roads and on the construction route so we have until the end of December to get this released so I'd like to table this till the next meeting.

Don Williams: To the 23rd?

Bobby Howard: Yes, please.

Rick Reid: Motion to table.

Marlin Weisheit: Second.

Don William: Motion and a second. All in favor say aye.

Rick Reid: Aye.

Marlin Weisheit: Aye.

Don Williams: Motion carries. Thank you.

Unofficial Detour for SR 61 Culvert Replacements

Bobby Howard: Then on State Road 61, North of 66 between Kaiser Road and Red Brush Road the State plans on closing the roadway to replace a couple of culverts and they needed an Unofficial Detour Route with the County and that recommendation is Red Brush Road to Yankeetown Road to Kaiser Road and they need approval that you are agreeable to the route and to the terms that basically they will reimbursement us for any cost related to damage that needs to be repaired on this detour so I'd request your approval for that.

Don Williams: Okay, thank you, what's the will of the Board?

Marlin Weisheit: I'll make a motion to approve the detour route on 61.

Rick Reid: Second.

Don Williams: Motion and a second. All in favor say aye.

Marlin Weisheit: Aye.

Rick Reid: Aye.

Don Williams: Aye. Motion carries three (3) to zero (0).

COUNTY HIGHWAY

2012 Annual Highway Operating Report

Bobby Howard: That's all I had for engineer business, under highway department business I need to file some paperwork, it's the 2012 Annual Operations Report is completed and ready for your signature.

Don Williams: Okay, we don't need to take any action on that, we just need to sign it right? Anything else, Mr. Engineer?

Bobby Howards: that's all.

COUNTY SHERIFF

Don Williams: Do we have anything from the Sheriff?

COMMISSIONERS ITEMS FOR DISCUSSION

Commissioner Williams: Mr. Reid, do you have anything for the Board?

Commissioner Reid: No.

Commissioner Williams: Mr. Weisheit, you have anything?

Commissioner Weisheit: No, Sir.

Commissioner Williams: Entertain a motion.

Commissioner Reid: Motion to adjourn.

Commissioner Weisheit: Second.

Commissioner Williams: We are adjourned.

DON WILLIAMS, PRESIDENT

MARLIN WEISHEIT, VICE PRESIDENT

RICHARD REID, MEMBER

ATTEST:

L.B. "DIXIE" DUGAN, AUDITOR
WARRICK COUNTY, INDIANA